



Department of Defense
INSTRUCTION
AD-A271 712



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ASD(P&R)

SUBJECT: DoD Adoption Reimbursement Policy

- References:
- (a) Section 651 of Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991 (10 U.S.C. 1052)
 - (b) Section 652 of Public Law 102-484, "National Defense Authorization Act for Fiscal Year 1993," October 23, 1992
 - (c) DoD Directive 1315.7 "Military Personnel Assignments," January 9, 1987
 - (d) Section 621 of Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991 (37 U.S.C. 401)
 - (e) through (g), see Enclosure 1

A. PURPOSE

This Instruction implements references (a) and (b) by establishing policy, assigning responsibilities and prescribing procedures for the reimbursement of qualifying adoption expenses incurred by members of the Military Services.

B. APPLICABILITY

This Instruction applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Unified and Specified Commands, the Inspector General of the Department of Defense, the Uniformed Services University of the Health Sciences (USUHS), the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as "the DoD Components"). The term "Military Services," as used herein, refers to the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard when it is operating as a Military Service in the Navy.

C. DEFINITIONS

Terms used in this Instruction are defined in enclosure 2.

D. POLICY

It is DoD policy that:

1. An active duty member of the Military Services whose adoption of a child under 18 years of age is finalized on, or after, December 5, 1991, (unless the adoption was finalized

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during the period defined in subsection D.2., below), and who incurs expenses for the adoption of a child, may be reimbursed up to 2,000 dollars per child (with a maximum reimbursement to one Service member of 5,000 dollars in any calendar year) for qualifying expenses. No more than one member of a dual military couple in the Military Services (including members of the U.S. Coast Guard) may be reimbursed for the expenses for the adoption of the same child. Couples where both spouses are members of the Military Services (including the U.S. Coast Guard) may not receive reimbursement under that program totaling more than 5,000 dollars in any calendar year.

2. Public Law No. 102-484, Section 652 (reference (b)) provides for reimbursement of adoption expenses incurred by members of the Military Services whose adoption of a child under 18 years of age was completed during the period beginning on October 1, 1990, and ending on December 4, 1991, such adoption expenses otherwise qualify for reimbursement. Such members may apply for reimbursement under the procedures prescribed in F., below. Applications submitted under this subsection must be submitted no later than October 23, 1993.

3. Adoptions that qualify for reimbursement include adoptions by a married couple and by a single person, adoptions of a child under 18 years of age, intercountry adoptions, and adoptions of children with special needs. Such adoptions qualify for reimbursement only if they are arranged by a state or a local governmental agency that has responsibility under state or local law for child placement, through an adoption or by a nonprofit and voluntary adoption agency that is authorized by state or local law to place children for adoption.

4. Benefits may be paid only after the adoption is completed. A benefit may not be paid for any expense paid to or for a member of the Military Services under any other adoption benefits program administered by the Federal Government or under any such program administered by a state or a local government.

5. Only active duty members of the Military Services serving on continuous active duty or full-time National Guard duty under orders specifying a period of at least 180 days may apply for reimbursement.

6. Service members may request voluntary extension of assignment, under DoD Directive 1315.7 (reference (c)), beyond their prescribed tour, to complete the adoption process for a child under 18 years of age.

7. Single members or one member of a military couple shall receive a 4-month assignment and deployment deferment from duty away from the home station for the period immediately following the date a child is placed in the home of such a member or members, as part of the formal adoption process. The member may

waive the deferment period. That 4-month deferment policy is further explained in (reference (c)).

8. Consistent with military requirements, commanders are encouraged to approve requests for ordinary leave once a child is placed in the home of the member for adoption to allow a period of bonding or time to establish arrangements for child care.

9. A child or children under the age of 18 placed in the home of the member by a placement agency for adoption is considered a dependent in determining travel and transportation allowances (Public Law No. 102-190, section 621, (reference (d))).

E. RESPONSIBILITIES

1. The Assistant Secretary of Defense (Personnel and Readiness) shall oversee compliance with this Instruction.

2. The Secretaries of the Military Departments shall:

a. Ensure compliance with this Instruction.

b. Designate a point-of-contact (POC) for adoption issues at the Military Department headquarters and disseminate information on the responsible office and its telephone number.

c. Evaluate and approve for payment claims for reimbursement submitted by members under the jurisdiction of the Military Department concerned. The Military Department concerned shall forward the authorization for payment of the adoption reimbursement claim to the Defense Finance and Accounting Service (DFAS).

d. Issue guidance implementing this Instruction. Such guidance shall, among other topics, specify provisions for submitting adoption reimbursement claims.

e. Family Centers, chaplains, and legal assistance offices shall provide Service members with appropriate information and referral on the adoption process.

f. Publicize this Instruction through appropriate Service channels.

3. The Comptroller of the Department of Defense shall:

a. Allocate resources to the DFAS for the implementation of this Instruction.

b. Designate a POC at the DFAS Headquarters for matters under this Instruction and disseminate information including telephone number on that POC.

c. Prescribe and implement procedures for processing and paying of claims for reimbursement.

d. Maintain data on expenditures on a fiscal year basis.

e. Ensure payment of reimbursement expenses in accordance with Public Law Number 102-190, Section 651, and Public Law No. 102-484, Section 652 (references (a) and (b)).

F. PROCEDURES

1. Members may submit requests for reimbursement for qualifying adoption expenses under references (a) and (b) by DD Form 2675, "Reimbursement Request for Adoption Expenses," at enclosure 3. As long as the adoption is completed (by a court order or other legal decree) on, or after, December 5, 1991, qualifying adoption expenses shall be reimbursed. Under reference (b), a military member whose adoption of a child was completed during the period beginning on October 1, 1990, and ending December 4, 1991, must submit requests for reimbursement no later than October 23, 1993.

2. Reimbursements shall not exceed 2,000 dollars for qualifying expenses incurred in the adoption of a child; not more than 5,000 dollars may be paid for adoptions in any calendar year. Those limits for expenses apply to the following:

a. single members,

b. members whose spouses are not military Service members, (including members of the U.S. Coast Guard),

c. couples where both spouses are Military Service members (including members of the U.S. Coast Guard).

3. The member must submit a reimbursement request not later than one year after completion of the adoption or within one year of the date of this Instruction, whichever is later. Personnel whose adoption was completed during the period beginning on October 1, 1990, and ending on December 4, 1991, must be submitted no later than October 23, 1993. A separate DD Form 2675 shall be completed for each child whose adoption has been finalized.

4. The DFAS shall withhold taxes on the reimbursement and inform the member that such benefit is taxable and shall receive a separate Form W-2, "Statement of Wages and Income," issued for the amount of the adoption reimbursement paid.

5. To use military treatment facilities (MTFs) for care of the preadoptive child, members must apply at the MTF for "Secretarial Designee" status for the preadoptive child. The preadoptive child becomes eligible for care under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) at 12:01

a.m. on the day after the adoption becomes final. Members may also seek assistance from the MTF or their Service personnel office on civilian insurance options (e.g., "US-VIP issued by Mutual of Omaha") for the preadoptive child, as specified in DoD Directive 6000.3 (reference (e)).

G. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Forward two copies of implementing documents to the Assistant Secretary of Defense (Personnel and Readiness) within 120 days.



Edwin Dorn
Assistant Secretary of Defense
(Personnel and Readiness)

Enclosures - 3

1. References
2. Definitions
3. DD Form 2675, "Reimbursement Request for Adoption Expenses"

REFERENCES, continued

- (e) DoD Directive 6000.3, "Voluntary Private Health Insurance Conversion Program," January 5, 1988
- (f) Sections 1044 and 1044a of title 10, United States Code
- (g) Section 673 and Subchapter XIX, Chapter 7 of title 42, United States Code

ACQUISITION	
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DEFINITIONS

1. Adoption. The legal procedure by which a person or couple takes a child that is not their biological offspring into the family and raises the child as their own. Adoption severs all legal ties between the adoptee and his or her birth parents (except in the case of stepchildren adoptions, where one biological parent is the spouse of the adopting parent and whose legal ties to the children are therefore unabridged) and establishes such ties between the adoptee and the adoptive parents. Legally, the adoptee has the same status with his or her adoptive parents, as do any nonadopted siblings.

2. Family Centers. The term family centers refers generically to Army Community Service Centers, Navy and Marine Corps Family Service Centers and Air Force Family Support Centers.

3. Intercountry Adoptions. The legal adoption of a child coming from a country other than the U.S. and its territories.

4. Qualifying Adoption Expenses.

a. Reasonable and necessary expenses for the legal adoption of a child under 18 years of age, but only if such adoption is arranged through one of the following procedures:

(1) By a state or a local government agency that has responsibility under state or local law for child placement through adoption; or

(2) By a nonprofit and voluntary adoption agency authorized by state or local law to place children for adoption.

b. Does not include any expenses incurred for the following:

(1) By an adopting parent for travel; or

(2) For an adoption arranged in violation of Federal, state, or local law.

5. Reasonable and Necessary Expenses. That term means the following:

a. Public and private agency fees including adoption fees charged by an agency in a foreign country.

b. Placement fees, including fees charged adoptive parents for counseling.

c. Legal fees, including court costs, for services that are unavailable to a member of the Military Services under 10 U.S.C. 1044 or 1044a (reference (f)).

d. Medical expenses, including hospital expenses of the biological mother of the child to be adopted and of a newborn infant to be adopted, for medical care given to the adopted child before the adoption, and for physical examinations for the biological mother of the child to be adopted. Members shall avail themselves of the MTFs once the child has been placed in the home by the placement agency for adoption. See subsection F.7., in this Instruction, for further information on the eligibility of the preadoptive child to use the MTFs and the CHAMPUS.

e. Temporary foster care charges when payment of such charges is required to be made before the adoptive child's placement.

6. Special Needs Adoptions. A child shall not be considered "special needs" unless:

a. The state with jurisdiction over the child has determined that the child cannot or should not be returned to the home of his or her parents; and

b. Such state has first determined that:

(1) There exists for the child a specific factor or condition (such as his or her ethnic background, age, or membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps) because of which it is reasonable to conclude that such child cannot be placed with adoptive parents without providing adoption assistance under Section 673(c) of 42, U.S.C. (reference (g)), or medical assistance under Subchapter XIX of Chapter 7 of reference (g).

(2) Except where it would be against the best interests of the child because of such factors as the existence of significant emotional ties with prospective adoptive parents while in the care of such parents as a foster child, a reasonable, but unsuccessful, effort has been made to place the child with appropriate adoptive parents without providing adoption assistance under Section 673 of 42 U.S.C. reference (g) or medical assistance under Chapter 7 of reference (g).

REIMBURSEMENT REQUEST FOR ADOPTION EXPENSES

(Please read Privacy Act Statement and Application Processing Instructions on page 3 before completing this form.)

SECTION I - MEMBER INFORMATION

1. NAME OF MEMBER (Last, First, Middle Initial) (Print or Type) S		2. SSN	
3. MARITAL STATUS (Check one)	a. SINGLE	b. MARRIED	c. DIVORCED
4. PAY GRADE	5. EXPIRATION OF SERVICE DATE	6. HOME TELEPHONE NO.	7. WORK TELEPHONE NO.
8. MEMBER'S BRANCH OF SERVICE (Must be in active duty status with 180 days of continuous service)			
a. AIR FORCE	b. ARMY	c. MARINE CORPS	d. NAVY
9. DELIVERY ADDRESS (Include 9-digit ZIP Code and Apartment number, if applicable) A		10. STATE OF LEGAL RESIDENCE	
		11. ANY PREVIOUS REIMBURSEMENT CLAIMED FROM DOD IN CURRENT CALENDAR YEAR? (Check one)	YES NO

SECTION II - SPOUSE INFORMATION

12. IS SPOUSE A MEMBER OF THE ARMED FORCES (Including the U.S. Coast Guard) (Check one)		YES	NO
13. IF YES, NAME OF SPOUSE (Last, First, Middle Initial) M		14. SSN OF SPOUSE	
15. BRANCH OF SERVICE OF SPOUSE			
a. AIR FORCE	b. ARMY	c. MARINE CORPS	d. NAVY
e. COAST GUARD			

SECTION III - ELECTRONIC FUND TRANSFER INFORMATION (Complete only if requesting payment by EFT. RTN must be provided.)

16. ROUTING TRANSIT NUMBER	17. ACCOUNT NUMBER IP	18. ACCOUNT TYPE (Check one)	CHECKING SAVINGS
19a. INSTITUTION NAME		19b. MAILING ADDRESS OF INSTITUTE (Include 9-digit ZIP Code)	

SECTION IV - ADOPTION INFORMATION

20. DATE OF HOME STUDY (YYMMDD)	21. DATE CHILD PLACED IN HOME (YYMMDD)	22. DATE ADOPTION FINALIZED (YYMMDD)
23. NOTES: a. The adoption must have been finalized on or after December 5, 1991, unless you meet exceptions as specified in paragraph D.2 of DOD Instruction 1341.9. b. Adoption expenses by nonactive duty members or members on active duty less than 180 days are not allowable for reimbursement. c. Reimbursement of adoption expenses may be paid only after the adoption is final. Members who leave active duty before the final adoption decree is granted are not entitled to be reimbursed. d. Reimbursement claims must be submitted no later than 365 days after adoption is finalized, unless you meet exceptions as specified in paragraph D.2 of DOD Instruction 1341.9. Failure to do so may result in loss of benefits.		
24. NAME OF ADOPTED CHILD (Last, First, Middle Initial)	a. DATE OF BIRTH (YYMMDD)	b. SEX (Check one) MALE FEMALE
25. ADOPTION ARRANGED BY (Documentation attached) (Check one)		
a. A State or Local Government Agency that has responsibility under state or local law for child placement through adoption.		
b. A nonprofit, voluntary adoption agency that is authorized by state or local law to place children for adoption.		

26. EXPENSES INCURRED (Complete as applicable and attach documentation)	
a. Public and private agency fees	\$
b. Placement fees, including fees charged adoptive parents for counseling	
c. Legal fees, including court costs.	
d. Medical expenses, including hospital expenses for the newborn infant, for medical care furnished the adoptive child before the adoption, and for physical examinations of the biological mother of the child to be adopted.	
e. Expenses relating to pregnancy and childbirth for the biological mother, including counseling and maternity costs.	
f. Temporary foster care charges when such care is required before the placement of the child.	
g. Subtotal of expenses listed above (Items 26.a. through 26.f.).	
h. Amount of reimbursement previously applied for and/or received under any other adoption benefits program administered by the Federal government or under such program administered by a State or Local government.	
i. Total expenses (Subtotal (Item 26.g.) minus any reimbursements in Item 26.h.).	

SECTION V - ARMED FORCES MEMBER CERTIFICATION

I certify that the above information and expenses are true and correct to the best of my knowledge. I understand and agree that reimbursement of expenses is limited to \$2,000 per adopted child with maximum reimbursement of \$5,000 in any calendar year to a member or couple where both spouses are members of the Armed Forces (including the U.S. Coast Guard). I recognize that this benefit is taxable and shall be reported by the Department of Defense as income subject to tax. I agree not to seek further reimbursement under this program for the adoption of this child.

I further certify that neither I nor my spouse have received a reimbursement under any other adoption benefit program administered by the Department of Defense. To the best of my knowledge, I am the only active duty member of the Armed Forces or U.S. Coast Guard claiming reimbursement of \$ _____.

27. MEMBER'S NAME (Last, First, Middle Initial) (Print or Type)	a. MEMBER'S SIGNATURE	b. DATE OF SIGNATURE (YYMMDD)
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SECTION VI - AUTHORIZATION AND CERTIFICATION FOR ADOPTION EXPENSES

I certify that, based upon information provided and documentation attached, the below named individual is eligible for reimbursement of adoption expenses.

28. NAME OF ACTIVE DUTY MEMBER (Last, First, Middle Initial)	29. SSN	
30. TITLE OF CERTIFYING OFFICIAL (Commanding Officer or Designee) (Print or Type)		
a. TYPED NAME (Last, First, Middle Initial)	b. DSN	c. COMMERCIAL TELEPHONE
d. SIGNATURE	e. DATE SIGNED (YYMMDD)	
31. DUTY STATION DELIVERY ADDRESS (APO/FPO Designation and ZIP Code)		

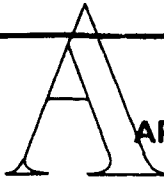
PRIVACY ACT STATEMENT

AUTHORITY: 5 U.S.C. 5701-5742, 37 U.S.C. 404-427, E.O. 9397, AND P.L. 102-190, SECTION 651

PRINCIPAL PURPOSE(S): Used for reviewing, approving, accounting and disbursing for adoption reimbursement. The Social Security Number (SSN) is used to maintain a numerical identification system for individual claims and tax reporting purposes.

ROUTINE USE(S): None

DISCLOSURE: Voluntary; however, failure to furnish information requested may result in total or partial denial of amount claimed



APPLICATION PROCESSING INSTRUCTIONS

1. The member's Personnel activity will assist in completing the application for reimbursement. The member's DFAS Center will provide any additional guidance needed concerning the program.
2. The member will provide documentation supporting agency involvement, any final court papers, and all substantiating receipts with the claim. Submit certified copies of original court or agency documents. Documents will not be returned to the member.
3. If necessary, claim requests and certification forms may be mailed to the Personnel activity. Claim forms may be signed by the member's spouse under a power of attorney, which must be attached.
4. The member must retain copies of all related paperwork until the claim is paid or denied.
5. When the reimbursement request with documentation is complete, the member's commanding officer, or designee, will certify as to the validity of the claim by completing the Adoption Expense Certification.
6. The member's Personnel activity will submit the completed claims package by certified mail to: Defense Finance and Accounting Service, Cleveland Center (Code FMC), 1240 East Ninth Street, Cleveland, OH 44199-2059. Phone numbers are as follows: DSN 580-5576 and Commercial (216) 522-5576.
7. If the adoption and expenses are eligible for reimbursement, the Director, DFAS - CL will so certify.
8. DFAS-CL will reimburse by check to the member's delivery address or, if requested, by EFT to the member's EFT account. DFAS-CL will withhold Federal income taxes at 20 percent and State income taxes at 4 percent, if applicable. Upon payment, a letter detailing the reimbursed expenses will be sent to the member. A FORM W-2 will be issued and mailed to the member NLT January 31st of the year following the year of payment.
9. If eligibility for reimbursement cannot be determined from the documents provided or claimed expenses are not properly supported by receipts, DFAS-CL will retain the claim and request the necessary information or documentation. This must be submitted within 90 days for the claim to be reconsidered.
10. If the claim is denied, a letter stating denial will be sent to the member's delivery address. The claim will not be returned to the member.